THIRTY YEARS OF INDEPENDENCE AND A DECADE OF DEMOCRACY The Daily Star Dhaka Monday March 26, 2001

# Economy and society in the last decade

## ABU ABDULLAH

A FTER thirty years of independence and now a decade of democratic rule, opinions about Bangladesh's achievements and failures remain divided. In the economic arena, some observers point to the recent acceleration in growth rates of income per capita, low inflation, "self-sufficiency" in foodgrain production, the emergence of readymade garments as a dynamic export sector, which has helped significantly (along with remittances) in improving the trade balance, the accomplishments of microfinance institutions, and a decline, however modest, in the improving the trade balance, the accomplishments of microfinance institutions, and a decline, however modest in the incidence of poverty.

On the social front, too, there are achievement to register. Contraceptive Prevalence Rates have risen significantly, leading to lower fertility rates and lower population growth rates. In primary education, enrolment rates have risen sharply, and the gender balance has improved in both primary and secondary enrolment. Infant mortality rates and life expectancy at birth show marked improvement. Remarkably, access to safe drinking water has in recent years reached over ninety per cent, though arsenic contamination threatens to undo some of this progress. Female employment in garment industries in the cities (mainly Dhaka) and their mobilization for micro-credit in the villages have contributed to expanding the life-choices available to poor women and contributed not only to household incomes but also to some degree of empowerment for women.

Some of these developments are contested on empirical grounds, others can be given a negative connotation. Some find it incredible that poverty should have declined, and attribute this to the unreliability of the household Expenditure Survey implemented by the Bangladesh Bureau of Statistics. The critics point out (a) that the concepts of "income" and "expenditure" are complex, and become more so in a rural context where much of the income accrues in kind, (b) that memory recall is likely to be imperfect most people have only a rough idea of how much they spent on various items over the past week or month, and (c) that the enumerators have little

incentive to actually go from house to house trying to extract these data from busy and no doubt irritable householders, so that they mostly end up staying home inserting more or less plausible-looking numbers in the questionnaires.

There is no doubt some substance in these accusations. However, there is no particular reason why data cooked at random by unscrupulous enumerators, or supplied on the basis of imperfect recollection by household heads with more urgent preoccupations, should contain a systematic optimistic bias. And deliberate data-cooking to exaggerate achievements, while not to be ruled out, is actually quite difficult to do without leaving tell-tale traces in the form of irreconcilable inconsistencies. Also, the broad

nous or at least ambiguous

First, Since we are celebrating a "decade of democracy", we have to ask ourselves whether we really have achieved democracy. True, we have had governments elected by universal adult franchise. But we have also had non-functioning parliaments due to boycott by the opposition party, we have had attempts or threats of attempts to remove a legitimate regime by unconstitutional, violent means, we have had "black" laws like the Special Powers Act. It also appears that power struggles between and within parties are being increasingly settled, not through the party's dispute settlement mechanism" or the law of the land but by an "underground" system of violence. Every party has its "activistis" who serve as storm troopers, and their activi-

Female employment in garment industries in the cities (mainly Dhaka) and their mobilization for micro-credit in the villages have contributed to expanding the life-choices available to poor women and contributed not only to household incomes but also to some degree of empowerment for women.

trends in poverty derived from the BBS data are consistent with alternative source like the BIDS's Analysis of Poverty Trends project. Lastly, some researchers who had conducted in-depth village studies in the later seventies (Kirsten Westergaard, Martin Greeley, Kamal Siddiqui) have gone back to do a repeat survey in the nineties, and their findings also broadly support the BBS's conclusions.

Even when observers agree on the facts, they can, as I mentioned earlier, disagree on the interpretation. Thus, women's employment in the garment industry can be seen as an expansion of choices available to poor women, even as a step towards their liberation from patriarchy. On the other hand, it can be seen simply as the subordination and exploitation of women, forced out of the security of their homes by extreme poverty, by world capitalism. We have here a fundamental conflict of values which cannot be resolved by empirical analysis or even logical discourse.

Having registered what seem to me to be positive developments, let me now enumerate, in no coherent order, some developments that are omities appear increasingly to be beyond the control even of their party's central command. We seem to have almost arrived at a point where the "rule of law" has become a facade, like a cardboard replica of the front of a stately mansion, useful for shooting sequences in a film, but incapable of providing real shelter. The real battle between government and opposition is fought out with real, lethal weapons in the background.

Corruption is another phenomenon which, while never absent, here or elsewhere, has become routinised to an extent that suggests the existence of a parallel market for government services indeed, almost at times, a parallel government. A graphic example is provided by the tokens issued by the police to bus or truck drivers certifying that they have paid their "due" to the police and may be allowed to proceed unhindered. Some of the truck drivers may not even be aware that this is not part of the government's resource mobilization effort.

Particularly pernicious, with potentially very high cost to society, is the emergence of cheating at examinations on an unprecedented scale. The

numbers expelled from HSC and SSC exam go up by leaps and bounds every year, and one suspects that those who are expelled constitute a small fraction of those who chest. The problem is not simply that some people will get degrees which attributes to them skills that they actually have not got. It is also, and more ominously, that cheating is increasingly being seen by large number of students as a legitimate activity, almost a right. How did this happen? I do not know. And what about teachers who "leak" questions to students for a consideration? How can they look at themselves in the mirror? Is it relative deprivation that breeds in them a defiance of traditional morality? Is this part of the anomie associated with modernisation or with over-dependence on the market economy? All questions that need to be posed, if not, yet, answered.

Since the topic has come up, let me conclude with a few words on inequality. Official statistics show an increase in inequality, particularly in urban areas. But we don't really need statistics to verify this, it is visible all around us. Look at the explosion in apartment buildings, fancy restaurants serving exotic cuisines and up-market shopping malls selling imported consumer goods. Look at the gueues for admission to the better Englishmedium schools. A new upper-middle class is emerging which is a part of the international consumer society. Let it be noted in passing that the children of this society are often ignorant of Bengali culture, and look forward to an education, and very likely a career, abroad. What are the implications of these developments? Purely from the economic point of view, perhaps these are not necessarily unwelcome developments, though here again value judgements enter in a fundamental way. At any rate, this group (I hesitate to use the world class) will provide a market for quality goods and services and thus pose a challenge to a new generation of entrepreneurs, erhaps also drawn largely from this group.

Socially this group is likely to be the standard-bearers of a new wave of "modernisation" and provide both candidates and voters for parties with a modern, liberal orientation. At the same time, they may become the target for fundamentalist political activities. What the net result will be is anybody's guess.

# Development in the nineties: Quest for social justice remains a challenge

### ATIUR RAHMAN

HE decade of nineties has witnessed a number of sharp contradictions in the sphere of human development in Bangladesh. After a protracted struggle the country came back to democratic governance, at least formally, at the very beginning of the decade. The freedom of press (not necessarily the electronic one) has been institutionalised during the first spell of care-taker government under acting President Justice Shahabuddin Ahmed. Democracy despite many of its limitations has been struck root in Bangladesh. It took several hundred years in the West in shaping democracy in its present form. But, we, in Bangladesh did not have the opportunities of developing our democratic governance because of unfortunate intervention from the extra-constitutional quarters; as a matter of fact, we lost many valuable years in the post-independent Bangladesh under non-democratic rule. This spell of non-accountable governance has not only polluted our society but also destroyed the very ethical fabric of democratic polity. The nineties have witnessed some elements of democratic consolidation despite unfortunate divisiveness in politics.

Ordinary people have shown tremendous resilience and fighting spirit for democratic governance. Many self-seekers and non-patriotic elements, however, created artificial barriers to efforts at improving the quality of democratic polity and governance. But people in general did not approve those non-democratic moves. Their aspiration for an accountable and socially just development process has always been very high on the agenda. That dream is yet to be fulfilled.

Given this perspective I would like to review the progress in the field of economic growth, income distribution and social development to get a feel of the state of human development in the nineties.

The growth scenario in the nineties augured well along with significant improvement in various dimensions of human deprivations Had the quality of governance further improved, the quality of human development, particularly the freedoms like voices and securities would have been greatly strengthened.

While not undermining the importance of income deprivation as a major concern of human development other dimensions like health, education and nutrition deserve to be focused on equally forcefully. The preliminary look confirms that the amount of public expenditure in the latter has increased in the nineties. Although the quality of this budgetary allocations may not have been so satisfying, the increased expenditure itself created some positive impact in the areas of infant mortality, enrollment, life expectancy etc.

The growth perspective

The per capita GDP has been improving consistently since the birth of Bangladesh and the pace accelerated in the nineties coinciding with the period of democratic system of governance. While per capita GDP grew only at 0.5 per cent during 1960-71, the comparable figures in the seventies (1972-82), eighties (1982-90) and nineties (1991-97) were 2.2 per cent, 1.5 per cent and 3.2 per cent respectively. Despite a massive flood in 1998, the annual average economic growth and per capita GDP growth recorded very high figures like 5.6 per cent and 3.8 per cent respectively during the last three years of the nineties (1966-99). Such a measure of growth has been noted by experts as most impressive (next only to India in South Asia) and among the top ten performers in the developing world. The 3.8 per cent per capita growth rate in GDP in the last half of the nineties shows considerable improvement over the first half of the decade which recorded 2.4 per cent per capita GDP growth (still better than earlier decades). It is because of this

reason for such slow progress could have been deteriorating income distribution.

#### Income distribution

Increasing trend of income inequality amidst not so rapid growth could lead to a depressive outcome in the field of poverty. And that is what has exactly happened in the case of Bangladesh. The increased inequality of income with 5+% economic growth did not allow the steeper fall in poverty. With such a growth scenario Bangladesh can hardly afford such a high level of inquality. Indeed the widespread violence, social disruptions, instability and discontent may have been the fall outs of this twin problem of modest growth and high inequality. The fragile growth process which is still sustaining can be vulnerable in the face of increased shocks which normally accompany such inequality.

The aspiration for economic freedom of the Bengalees centred around

The rise in agricultural wage rate, higher incidence of micro credit, greater budgetary allocations for social sector, rise in off-farm income, new targeted interventions for the female-headed households and the homeless, the NGO and community activism in the areas of women's empowerment, environmental protection, human rights etc. may have worked together in creating favourable outcome of better human development.

impressive growth performance of Bangladesh in the nineties that some experts feel Bangladesh has been able to throw away its negative image as "a test case of development" (as posted by Farland and Parkinson in the seventies). Apparently Bangladesh has already outwitted those fortunetellers of development and is now moving forward as an example of how to develop despite monumental resource constraints. The resilience and fighting spirit of hardworking Bangalees have been at the root of this turn around.

# Poverty

Besides impressive performance in the area of economic growth in the nineties Bangladesh has also made notable progress in the reduction of income poverty. It declined from 51 per cent (in 1995-56) to 44 per cent in 1998-99.

However, one can simultaneously argue that the progress in the reduction of income poverty has been rather slow, say around one percentage point. One

reduction of income inequality. But that aspiration remains to be fulfilled. As a result poverty remains a serious challenge for development in Bangladesh. Gini ratio is an index of inequality. During 1991-92 the urban Gini hovered around 30-32 per cent and the rural Gini around 25-26 per cent. The corresponding figures rose to 44 per cent and 38 per cent in 1995/96. This is indeed a sharp increase in income inequality and surely resources are being concentrated in a few hands. According to a recent report of Bangladesh Bank, Bangladesh has as many as four thousand persons having income over Taka 10 million or so. Remember, we were fighting against only 22 such families in the 1960s. So managing inequality is no less important than reducing poverty. One of the major pitfalls of the existing development paradigms has been lack of concern over the growing inequality which has been frustrating our efforts at poverty reduction. The structural adjustment policies that were encouraged by the multi-lateral donors also failed to address this vital concern. Indeed, a recent participatory review of SAP clearly shows that inequality has been increased in the post-SAP period.

The decline in agricultural growth in the early nineties may be correlated with sudden rise in the Gini ratios in the early nineties. However, the agricultured production has of late, picked up and hopefully will have sobering effect on the inequality front as well, at least in the rural areas. But the same cannot be told about urban poverty. Indeed the state of urban poverty has worsened in this decade.

### Human poverty

Despite deteriorating inequality, there has been significant improvement in human poverty situation in the nineties. This is perhaps due to increased budgetary allocations for education, health and nutrition and as well as for public provisioning measurers. The NGO activism may also have been a complementary factor.

The incidence of human poverty (measured in terms of deprivation in longevity, knowledge and economic provisioning) declined from 61.3 per cent in 1981-82 to 47.2 per cent in 1993-94 and further dropped to 40.1 per cent in 1995-97. In other words, the progress on human poverty reduction was faster than matched progress on the income poverty reduction. The average reduction rate in human poverty index was 3 percentage points compared to only 1 percentage point for the income poverty index.

The rise in agricultural wage rate, higher incidence of micro credit, greater budgetary allocations for social sector, rise in off-farm income, new targeted interventions for the female-headed households and the homeless, the NGO and community activism in the areas of women's empowerment, environmental protection, human rights etc., may have worked together in creating this favourable outcome of better human development.

The higher average longevity, enrollment ratio for girl students, lower infant mortality rate, food self-sufficiency, virtual absence of famine and seasonal migration indicate that Bangladesh has come a long way in terms of reducing human deprivations.

The results could have been better if we could have ensured better governance, particularly in the form of better law and order situation, stronger local government and more pro-active administration. Democracy is a slow process. We need not be frustrated at slow progress of some indicators of development. Most indicators are showing upturns. It is the time for an all-out preparedness; we must prepare as a nation to face the challenges of the 21st century and reap the opportunities created by the new Age. The benefits of the technology boom should as well reach our poor. For that to happen we must stick to democratic governance and pro-poor, pro-technology policymaking.

# Parliamentary democracy in doldrums

# **RASHED KHAN MENON**

B ANGLADESH started its statehood with Parliamentary Democracy as a form of government. The provisional government at Mujibnagar elected Sheikh Mujib as its President and ran the show in his name. But immediately after his return to Bangladesh from imprisonment in Pakistan, he chose to be designated as Prime Minister instead of being called a 'President'. This was to be only expected; as in the long struggle against Pakistani rule, the democratic movement of the then East Pakistan always demanded annulment of the presidential form of government and establishment of parliamentary democracy. The election manifesto of Awami League also promised the establishment of parliamentary democracy in the country. The Constitution of Bangladesh, therefore, established the supremacy of Parliament and enacted provisions for running the government and the state on the basis of parliamentary democracy.

But not more than even three years could pass when the proponents of parliamentary democracy themselves threw it out of the institution and on the basis of the notorious fourth amendment to the Constitution established presidential form of government in the country and also one-party system in the style of government in national party called BAKSAL. After the tragic changeover of 1975, the one-party system was again replaced by a multiparty system. But the presidential system, which suited the military rulers more than anything else, remained. It is only after the mass upsurge of 1990 against the autocratic rule of General Ershad that parliamentary democracy staged a comeback.

The eight-party, seven-party and five-party alliances, in their historic declaration of 19th November, 1990 stipulated handing over of power to a sovereign parliament through a free and fair election under a neutral caretaker government. So the immediate task before the new parliament was to change the system from presidential to parliamentary one. The journey to a parliamentary democracy, though not smooth, was finally accomplished by another historic and unanimous amendment to the constitution. The twelfth amendment of the constitution changed the form of government in Bangladesh from 'presidential' to a 'parliamentary' one. In a consequence, a great expectation, emerged about the functioning of parliamentary democracy in Bangladesh. Actually ten years have passed since the restoration of parliamentary system. But experience shows that the expectation has been belied. Rather both the fifth and the seventh parliaments that were formed after regular elections failed to function properly because of doubt and disbelief between the government and the opposition. Though there is no basic disagreement between the major parties in the power arena this apathy and disbelief towards one another stalled the functioning of both the parliaments immediately after they came into being. The fifth parliament became dysfunctional largely due to wrangling over the enshrining of provision in the constitution of a caretaker government to conduct national elections. The seventh parliament has been the victim of mutual distrust between the government and the opposition. In the seventh parliament, the institution of speaker has also come into question. The speaker has been made a party by the opposition in its quarrels with the government for his partial behaviour and leading to the creation of an impossible situation for the opposition to take part in the proceedings of the parliament.

But in a parliamentary democracy it is the government, opposition and the office of the speaker which form the Parliament. Any deviation from this triangle would make it impossible to run the Jatiya Sangsad, and that's what In parliamentary democracy Prime Minister is the number one among equals and shares a collective responsibility of running the government. But as bad habits die hard the leader of the parliamentary party or so to say of the ruling party wants to run the government much the same way the president did on a presidential system. So it is sometimes said that the changeover was not from a presidential system to a parliamentary system but from a presidential one to a prime ministerial one.



Half empty parliament doesn't bode well for the system.

has happened in Bangladesh. The people elected the parliaments hoping these would work but these remained most of the time in limbo due to nonparticipation of the opposition members. And it so happened that though the parliament had to sit within sixty days between two sessions, no substantial work could be done and even sometimes quorum could not be maintained in the session.

The quality of parliamentary debates dipped as the members were more interested in the throwing invectives against one another than anything

else. Actually except for the first few sessions of the fifth parliament, no substantial debate could be recorded in either of these parliaments. Rather the filthy exchanges in the parliament created such an impression on the minds of the youngsters that they alluded to these in their plays as 'Sangsad Game'.

The failure of the parliaments to function properly is not due to the weakness of the system or as it because of the non-applicability of the system in a country like Bangladesh. The practice of parliamentary democracy went well even during the limited authority of the parliament and the electorate during British Raj and even during the first days of Pakistan until the military intervened. The cause of its shortcomings lay in the distortion of the whole body-politic during long periods of military and semi-military regimes. The wielding of absolute authority of the executive persisted even though the system has been changed.

In parliamentary democracy Prime Minister is the number one among equals and shares a collective responsibility of running the government. But as bad habits die hard the leader of the parliamentary party or so to say of the ruling party wants to run the government much the same way the president did on a presidential system. So it is sometimes said that the change over was not from a presidential system to a parliamentary system but from a presidential one to a prime ministerial one.

The distortion of politics and political culture during the military rules has caused great harm to the political process. There is practically no democracy within the major parties. And the provision for the loss of seat if one votes against the party from which he was nominated has made the system more absolute. The absence of any provision for conscience voting has downgraded the parliamentary rule to a party rule. And when party becomes autocratic the parliamentary democratic system also degenerates to autocracy. This has been the experience of parliamentary democracy in Bangladesh for the last ten years.

These and many other issues in the political field need to be addressed if parliamentary democracy is to work.

However despite some basic drawbacks, the parliamentary system has at least brought some accountability of the government. The open debates in the parliament definitely make an impact on the running of the government. The strengthening of the committee system, the Prime Minister's question-hour are definitely steps towards better functioning of the parliament. The efforts of the parliamentarian to bring transparency to bear on the running of the government have been definitely a silver lining around the black clouds casting a dark shadow over the system.

Despite all drawbacks the ten years of experience with the parliamentary form of government has proved that it is only in this system that people have any voice. As the constitution of Bangladesh says in Article 7 that all powers of the Republic belong to the people, it is the people to whom the power should be brought back. They are to be empowered not only by giving them the voting right to choose a government every five years; rather they should be empowered politically, economically, socially so that they can exercise that power in the truest sense of the term. The main question of future of parliament and parliamentary democracy has to do with the empowerment of people. The people in their exercise of power would do away with anomalies that are hampering the advancement of parliamentary democracy in our country.